



U.S. Department of Justice

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JEFFERSON COUNTY MAN INDICTED FOR STUDENT LOAN FRAUD SCHEME

LITTLE ROCK – Jane W. Duke, United States Attorney for the Eastern District of Arkansas and Thomas J. Browne, Special Agent in Charge of the Little Rock Field Office of the Federal Bureau of Investigation, announced that Theodis Dixon, age 33, of Jefferson County, Arkansas was indicted today by a federal grand jury. The indictment charges one count of conspiring to commit mail fraud and ten substantive counts of mail fraud based on a scheme to fraudulently obtain student loans.

The indictment alleges that Dixon and an unnamed co-conspirator organized a company, T&E Development, the purported purpose of which was to send individuals to school to receive their associates degrees and to provide jobs for students upon graduation. Dixon primarily recruited co-signors for the loans, and his co-conspirator primarily recruited students. Dixon and his co-conspirator then facilitated the application process and the negotiation of the loan checks, directing that the majority of the loan proceeds be given to T&E Development. Students and co-signors were assured that they would not be responsible for repaying the loans. The indictment alleges that the purpose of the scheme to defraud was to obtain money in the form of student loans by fraudulently representing that the entire amount of the loan would be used by the student applicant for educational purposes.

The maximum statutory penalty for conspiring to commit mail fraud is not more than 5 years imprisonment, a \$250,000 fine, or both, and not more than three years of supervised release. The maximum statutory penalty for committing mail fraud is not more than 20 years imprisonment, a \$250,000 fine, or both, and not more than three years of supervised release.

This investigation was conducted by agents from the Pine Bluff Resident Agency of the Federal Bureau of Investigation. The case is being prosecuted by Assistant United States Attorney Laura G. Hoey.

An indictment contains only allegations. The defendant is presumed innocent unless and until proven guilty.

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